

Members:

Rep. John Day, Chair
Rep. Jim Atterholt
Rep. Bill Bailey
Rep. Phyllis Pond
Sen. Teresa Lubbers
Sen. Allen Paul
Sen. Allie Craycraft
Sen. Richard Young, Jr.



HUMAN RESOURCES AND ECONOMIC SECURITY MATTER EVALUATION COMMITTEE

LSA Staff:

Al Gossard, Fiscal Analyst for the Commission
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Authority: IC 2-5-21

**Legislative Services Agency
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MEETING MINUTES

Meeting Date: September 28, 1998
Meeting Time: 12:30 P.M.
Meeting Place: State House, 200 W. Washington St.,
Room 233
Meeting City: Indianapolis, Indiana
Meeting Number: 1

Members Present: Rep. John Day, Chair; Rep. Jim Atterholt; Sen. Teresa Lubbers; Sen. Allie Craycraft.

Members Absent: Rep. Bill Bailey; Rep. Phyllis Pond; Sen. Allen Paul; Sen. Richard Young, Jr.

Rep. John Day, Chair, called the meeting to order at about 12:45 a.m. Rep. Day then introduced those Committee members present.

Staff briefly explained the evaluation process described in statute (IC 2-5-21). Each year, the Legislative Services Agency (LSA), at the direction of the Legislative Council, conducts an evaluation of state executive branch agencies and/or programs. The Legislative Council appoints a new committee each year (this year, the Human Resources and Economic Security Matters Evaluation Committee) for the purposes of receiving the report, hearing testimony, and making recommendations for legislative or administrative changes. This Committee will be in existence until December 31, 2000, unless otherwise terminated. The two subject areas evaluated by LSA with reports submitted May 1998 are: (1) the Step Ahead Comprehensive Early Childhood Grant Program (IC 20-1-1.8) and (2) Veterans Affairs, including the Commission on Veterans Affairs (IC 10-5-1-5), Department of Veterans Affairs (IC 10-5-1-3), Veterans' Home (IC 10-6-1), and the Veterans' Home Advisory Committee (IC 16-19-6-9(b)(5)) as established by Legislative Council Resolution 13-97.¹

¹These reports are on file in the Legislative Information Center, Room 230, State House, Indianapolis, Indiana. The telephone number of the Legislative Information Center is (317) 232-9856 and the mailing address is 200 W. Washington St., Suite 301, Indianapolis, Indiana 46204-2789. Copies of the reports may be purchased for \$8.50. Both reports are also available for download at no cost from the General Assembly's internet site at the following address:
<http://www.state.in.us/legislative/interim/committees/hrec.html>.

Presentation of Evaluation Report

Ron Sobecki, Senior Fiscal Analyst, Legislative Services Agency

Mr. Ron Sobecki, Legislative Services Agency, presented the report, Issues Relating to the Step Ahead Comprehensive Early Childhood Grant Program (Indiana Legislative Services Agency, May 1998), to the Committee and provided the following overview of the report.

Mr. Sobecki stated that the report has three sections: (1) history and structure of the Step Ahead process; (2) an overview of recent evaluations; and (3) issues identification and discussion. Mr. Sobecki stated that Governor Bayh introduced the Step Ahead initiative in his 1991 State of the State address and that the legislature passed P.L. 34-1991 establishing the Step Ahead process. He discussed the statutory goals which are listed in the report. He said that a Step Ahead Panel was established to oversee the implementation of Step Ahead. The Panel consists of 15 members, 11 appointed by the Governor and 4 members appointed by the State Superintendent of Public Instruction. Mr. Sobecki described the state Step Ahead Office structure and its duties. He also discussed the various program consultants within the Family and Social Services Administration (FSSA) who provide technical assistance to local Step Ahead Councils. He explained the structure of the local Step Ahead Councils and described the duties of the local Step Ahead coordinator, fiscal agent, and voucher agent.

Mr. Sobecki stated that there is a \$3.687 million state appropriation for Step Ahead. He stated that \$1.2 million of the appropriation is used for planning and coordination grants. He said each county receives a base of \$10,400 and an additional amount based on the number of individuals under age 6 from families with income under 100% of the federal poverty level. He added that \$1.1 million was distributed statewide in FY98 to the local councils for discretionary grants.

Mr. Sobecki also discussed the three federal programs that provide funding to local Step Ahead Councils. He stated that \$3.8 million in Child Care Development funds and \$3.8 million in Family Preservation and Support Services funds were allocated to the local councils. In addition, the local councils planned for the use of \$2.1 million in First Steps Early Preservation funds.

Mr. Sobecki discussed the findings of an evaluation of the Step Ahead program by INSIGHTS, an independent consulting firm. He stated that INSIGHTS evaluated seven counties and analyzed the strengths, weaknesses, opportunities, and threats to Step Ahead in each county. He said the evaluation found the state needs to establish a clear vision, mission, outcomes, goals, objectives, and benchmarks. The report found that local councils need to engage parents and families in development and planning and there is a need to enhance the involvement of business, industry and civic leaders. Mr. Sobecki also discussed an informal survey completed by the local Cooperative Extension Service Offices.

Mr. Sobecki stated that the LSA evaluation found that a general review of the statutory goals indicated that state and local councils were meeting some of the statutory deadlines. LSA found that additional funds have been mobilized for counties to serve families and children. He said that Step Ahead has mobilized \$24 million in new funds between 1991 and 1996. These dollars were from various sources for diverse projects, both on-going and one time only projects. He stated that 61% of the counties responding to an LSA survey listed projects that had used new funding sources identified through the Step Ahead process. He testified that LSA found that all counties have developed a conflict of interest policy, as well as a consumer comment policy and an appeals process.

Mr. Sobecki discussed the issue of the proper role of local councils. He stated that there is a concern that local councils are losing their planning focus. He said that the LSA survey found that some local councils feel they have assumed too large of an administrative role. Another issue studied by LSA is the concern about volunteer burnout. Mr. Sobecki stated that an overlap exists between local Step Ahead Councils and other local planning efforts with Indiana's welfare reform initiative. He said that the potential overuse of volunteers may pose a serious problem in smaller counties.

Mr. Sobecki stated that other issues discussed in the report include the need for training for voucher and fiscal agents, funding for Step Ahead, and whether Step Ahead accomplishments can be achieved by other means.

Mr. Sobecki stated that Step Ahead is a process that has continually evolved since 1992. He said that the success at local levels varies and depends to a large degree on the local coordinator and council members. He stated that the INSIGHT report cited a high level of administrative support at the state level as a strength of Step Ahead and this level of support is still needed for continued success of the process.

Rep. Atterholt expressed concerns that a significant percentage of the Step Ahead funds were for administrative overhead rather than for direct service provision and questioned what the administrative dollars are used for. Ms. Joyce Rogers, FSSA, briefly described the role of the Step Ahead coordinator and that the coordinators were employees of the local councils.

Rep. Day inquired as to the local/state/federal cost shares of the various programs involved in the Step Ahead process. FSSA staff stated that they would try and provide additional information to the Committee.

Agency Response

Ms. Joyce Rogers, Acting Director, Division of Contract Management and Deputy Director, Office of Community Planning, Family and Social Services Administration

Ms. Joyce Rogers, FSSA, provided the agency response to the evaluation report. Ms. Rogers expressed her appreciation to the Committee and Mr. Sobecki for a good report and stated that her agency was, in fact, using the report in their work. Ms. Rogers stated that Step Ahead used to be a separate office, but now was part of the Office of Community Planning.

Ms. Rogers provided a brief history of the Step Ahead Process and stated that Indiana was the first state to tackle local planning processes on a statewide basis. She stated that there were still problematic issues as described in the report, such as the role of Step Ahead in planning, volunteer burnout, and conflict of interest.

Regarding Step Ahead's role in planning, she stated that Step Ahead Councils were involved in administering \$16.2 million in child care dollars. Each county can come up with their own plan for family preservation and family support dollars. Child abuse and teenage pregnancy are described as priorities in most of the counties. She stated that the state is currently trying to work with the counties to separate planning from program administration. There is a planning consultant available for each county.

Regarding the issue of conflict of interest, the state is recommending open bid processes at the local level. Conflict of interest has been the number one issue that Step Ahead has struggled with at both the state and local levels in developing a credible process. The local Step Ahead Councils do not receive any funding if they don't have a conflict of interest policy in place. If

there are any complaints about potential conflict of interest, FSSA goes to the county to evaluate the process that was used and, if necessary, redo some of the process.

Ms. Rogers stated that conflict of interest and volunteer burnout problems are big issues for other states, as well.

Ms. Rogers also stated that the Step Ahead Office is trying to offer technical assistance and training to the local councils with respect to outcomes. She added that they are also revamping action plans to be more outcome focused.

Responding to a question as to how the consulting group, INSIGHTS, was selected, Ms. Rogers stated that the Step Ahead Panel issued a Broad Agency Announcement. The Step Ahead Panel, after interviewing prospective consultants, made the decision to contract with Indiana based INSIGHTS based on preselected criteria.

Responding to a question regarding funding of local coordinators, Ms. Rogers stated that in most cases the planning/coordination grants are insufficient to pay for a full-time coordinator. Typically, most counties have part-time coordinators and some counties share a coordinator.

In response to concerns that were expressed about the number of dollars going for administrative and planning purposes rather than directly for the provision of services, Ms. Rogers emphasized that Step Ahead was not a program, but rather was a process for the purposes of local planning and coordination.

Asked as to whether needs assessments are done, Ms. Rogers stated that each individual program requires a needs assessment. The local councils are then asked to summarize all of the various needs assessments.

Responding to concerns regarding volunteer burnout and poor attendance at meetings, Ms. Rogers stated that these problems exist across the board, since there are so many groups at the local level. She added that Local Planning Councils (instituted as part of the welfare reform initiative) sometimes have several members serving on the Step Ahead Council. Some counties would like to combine the two councils. She stated that volunteer burnout can be a big issue, especially in the smaller counties.

A concern was expressed regarding the recent news that there were 65 child fatalities in Indiana associated with child abuse and neglect. Ms. Rogers responded that the child abuse numbers had been going down, but last year for some reason the fatalities jumped up. Ms. Rogers stated that they could get back to the Committee with additional information.

Committee Discussion

Sen. Lubbers stated that there have been on-going concerns expressed about the use of Step Ahead funds, where the funds are going, and who makes those decisions. However, Sen. Lubbers also suggested that the previous system was far less in tune with local communities.

Rep. Atterholt expressed a concern that consultants were recommending more consultants leaving fewer dollars for services.

Sen. Craycraft suggested that we are not really far enough along to determine the real success of the process.

There being no further business, the meeting was adjourned.